

Agency Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	57.63	0.35	(0.30)	57.68	0.35	(0.30)	57.68	57.68
Personal Services	2,214,608	146,047	(21,981)	2,338,674	149,984	33,047	2,397,639	4,736,313
Operating Expenses	1,196,718	23,602	74,881	1,295,201	13,570	74,882	1,285,170	2,580,371
Equipment	11,419	0	0	11,419	0	0	11,419	22,838
Grants	210,565	916	(22,629)	188,852	916	(22,575)	188,906	377,758
Transfers	53,652	(6,900)	0	46,752	(6,900)	0	46,752	93,504
Total Costs	\$3,686,962	\$163,665	\$30,271	\$3,880,898	\$157,570	\$85,354	\$3,929,886	\$7,810,784
General Fund	1,803,840	20,486	(89,460)	1,734,866	6,467	(63,229)	1,747,078	3,481,944
State/Other Special	426,471	13,862	101,749	542,082	17,845	107,265	551,581	1,093,663
Federal Special	683,747	56,810	3,423	743,980	57,655	14,447	755,849	1,499,829
Proprietary	772,904	72,507	14,559	859,970	75,603	26,871	875,378	1,735,348
Total Funds	\$3,686,962	\$163,665	\$30,271	\$3,880,898	\$157,570	\$85,354	\$3,929,886	\$7,810,784

Agency Description

The Montana Historical Society (MHS), authorized by Title 22-3-101, MCA, exists for the use, learning, culture, and enjoyment of the citizens of, and visitors to, the State of Montana. The society acquires, preserves, and protects historical records, art, archives, museum objects, historical places, sites, and monuments. The society maintains a library and a historical museum, provides educational programs and services for teachers and the general public, and publishes the state historical magazine and newsletter. The society also administers preservation and antiquities acts, supports commissions with state historical orientation, and provides technical assistance to all Montana museums, historical societies, preservation programs, and owners of historic resources.

Summary of Legislative Action

Montana Historical Society Major Budget Highlights	
<ul style="list-style-type: none"> ○ Total funding increases \$436,860 (about 5.9 percent) above the fiscal 2002 base budget, with a \$125,700 (about 3.5 percent) decrease in general fund ○ General fund savings are a result of public service and general operating reductions, historic preservation grant reductions, a funding switch, a 0.30 FTE reduction, and a statewide increase in vacancy savings ○ Accommodations tax funding added for a permanent Lewis & Clark exhibit, increased rent for Scriver collection, and 0.50 FTE to conduct tours at State Capitol and Original Governor's Mansion ○ Impacts of legislative budget cuts as announced by the agency following the end of the session include closing the museum on Sunday and Mondays and discontinuing tours of the Capitol and the Original Governor's Mansion 	

The total budget for the Historical Society includes \$321,200 in present law adjustments and \$115,600 in new proposals for a net increase over the fiscal 2002 base of \$436,800. Present law increases adopted by the legislature primarily consist of statewide adjustments for personal services, inflation, and fixed costs. Present law decreases adopted by the legislature reduce general fund and are attributed to unspecified public service and general operating reductions. In addition, \$80,000 proprietary funds were removed due to the transfer of administrative functions for the Heritage Commission to the

Department of Commerce. Funding was added to pay increased rent for the Scriver collection and to fund a 0.50 FTE tour guide.

New proposals adopted by the legislature provide general fund savings attributed to a funding switch and eliminating a vacant, community outreach 0.30 FTE in the Administration Program, a reduction in historic preservation grants, and increased vacancy savings within the agency that was applied to all general funded agencies. New proposals added funding for a permanent Lewis & Clark exhibit. The legislature adopted a pay plan in HB 13 that provides funding for increased employee health insurance costs in the 2005 biennium and a 25 cent employee pay raise that is effective on January 1, 2005.

Funding

The following table summarizes funding for the agency, by program and source, as adopted by the legislature.

Funding for each program is discussed in detail in the individual program narratives that follow.

Total Agency Funding 2005 Biennium Budget						
<u>Agency Program</u>	<u>General Fund</u>	<u>State Spec.</u>	<u>Fed Spec.</u>	<u>Proprietary</u>	<u>Grand Total</u>	<u>Total %</u>
Administration Program	\$ 1,711,109	\$ 373,455	\$ 191,720	\$ 123,944	\$ 2,400,228	30.7%
Museum Program	372,566	714,565	-	13,412	1,100,543	14.1%
Library Program	1,211,778	5,643	-	113,158	1,330,579	17.0%
Publications Program	93,504	-	-	1,484,834	1,578,338	20.2%
Historic Preservation Program	92,987	-	1,308,109	-	1,401,096	17.9%
Grand Total	\$ 3,481,944	\$ 1,093,663	\$ 1,499,829	\$ 1,735,348	\$ 7,810,784	100.0%

Other Legislation

Senate Bill 232 - This bill transfers the Montana Heritage Preservation and Development Commission from the MHS on July 1, 2003, to the Department of Commerce for administrative purposes. The Executive Budget for MHS had included a 6 percent overhead assessment for \$46,424 in fiscal year 2004 and 7.5 percent for \$58,179 in fiscal year 2005 for the commission. MHS proprietary funds in HB 2 were reduced by \$40,000 per year to remove administrative charges to the commission due to passage of SB 232. The legislature allowed MHS to retain about \$24,600 in spending authority for administrative costs associated with Lewis & Clark Commission grants.

Agency Budget Comparison								
Budget Item	Base Budget Fiscal 2002	Executive Budget Fiscal 2004	Legislative Budget Fiscal 2004	Leg – Exec. Difference Fiscal 2004	Executive Budget Fiscal 2005	Legislative Budget Fiscal 2005	Leg – Exec. Difference Fiscal 2005	Biennium Difference Fiscal 04-05
FTE	57.63	57.68	57.68	0.00	57.68	57.68	0.00	
Personal Services	2,214,608	2,346,119	2,338,674	(7,445)	2,349,949	2,397,639	47,690	40,245
Operating Expenses	1,196,718	1,335,201	1,295,201	(40,000)	1,325,170	1,285,170	(40,000)	(80,000)
Equipment	11,419	11,419	11,419	0	11,419	11,419	0	0
Grants	210,565	188,852	188,852	0	188,906	188,906	0	0
Transfers	53,652	46,752	46,752	0	46,752	46,752	0	0
Total Costs	\$3,686,962	\$3,928,343	\$3,880,898	(\$47,445)	\$3,922,196	\$3,929,886	\$7,690	(\$39,755)
General Fund	1,803,840	1,751,368	1,734,866	(16,502)	1,737,297	1,747,078	9,781	(6,721)
State/Other Special	426,471	540,333	542,082	1,749	544,316	551,581	7,265	9,014
Federal Special	683,747	740,557	743,980	3,423	741,402	755,849	14,447	17,870
Proprietary	772,904	896,085	859,970	(36,115)	899,181	875,378	(23,803)	(59,918)
Total Funds	\$3,686,962	\$3,928,343	\$3,880,898	(\$47,445)	\$3,922,196	\$3,929,886	\$7,690	(\$39,755)

Executive Budget Comparison

The legislature approved a budget that is almost \$40,000, or 0.5 percent, below the amount recommended by the Governor. Major changes from the Executive Budget include:

- Removing general fund of \$49,300 over the biennium due to a statewide reduction
- Removing proprietary funds for administrative costs of the Heritage Commission for a \$80,000 savings over the biennium
- Adding funds for the HB 13 pay plan of \$89,565 (\$42,599 general fund, \$9,014 state special revenue, \$17,870 federal funds, and \$20,082 proprietary funds) over the biennium

Language

The legislature added the following language that requests the Department of Commerce to use a portion of the accommodations tax funding for Historical Society projects, similar to language approved by the 2001 legislature.

"It is the intent of the legislature that the Department of Commerce use lodging facility use taxes to fund \$617,008 in fiscal year 2004 and \$621,017 in fiscal year 2005 for the Montana Historical Society. This would be expended as follows:

Historical Interpretation	\$196,857	\$193,627
Scriver Collection	120,151	127,390
Lewis and Clark Exhibit & Interpretation	100,000	100,000
Lewis and Clark Bicentennial Commission	200,000	200,000

The first three uses of lodging taxes are budgeted in items 1 and 3. The \$200,000 each fiscal year of the biennium for the Lewis and Clark Bicentennial Commission is a language appropriation."

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	14.50	0.00	(0.30)	14.20	0.00	(0.30)	14.20	14.20
Personal Services	631,424	36,477	(34,866)	633,035	37,472	(21,304)	647,592	1,280,627
Operating Expenses	489,499	102,515	(24,326)	567,688	86,740	(24,326)	551,913	1,119,601
Total Costs	\$1,120,923	\$138,992	(\$59,192)	\$1,200,723	\$124,212	(\$45,630)	\$1,199,505	\$2,400,228
General Fund	800,732	129,644	(71,478)	858,898	114,413	(62,934)	852,211	1,711,109
State/Other Special	184,030	501	782	185,313	908	3,204	188,142	373,455
Federal Special	92,075	1,925	723	94,723	1,925	2,997	96,997	191,720
Proprietary	44,086	6,922	10,781	61,789	6,966	11,103	62,155	123,944
Total Funds	\$1,120,923	\$138,992	(\$59,192)	\$1,200,723	\$124,212	(\$45,630)	\$1,199,505	\$2,400,228

Program Description

The Administration Program provides supervision, administration, and coordination of Montana Historical Society programs. Program staff manage, plan, direct, and lead the society. Activities include public information, payroll/personnel, fund raising, financial reporting, business management, security, building management, community outreach, historic research, historic interpretation, and administrative support to commissions with state historical orientation.

Program Narrative

Montana Historical Society Administration Program Major Budget Highlights
<ul style="list-style-type: none"> ○ General fund is almost \$110,000 less than the fiscal 2002 base level due to continuation of Governor's 17-7-140, MCA reductions, elimination of a vacant 0.30 FTE, a fund switch, and a statewide personal services reduction ○ Total funds increase over \$128,000 due to statewide present law adjustments and the HB 13 pay plan ○ Administrative costs associated with the Heritage Commission are transferred from MHS to the Department of Commerce, decreasing proprietary funds by \$80,000

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium as adopted by the legislature.

Program Funding Table						
Administration Program						
<u>Program Funding</u>	<u>Base</u>	<u>% of Base</u>	<u>Budget</u>	<u>% of Budget</u>	<u>Budget</u>	<u>% of Budget</u>
	<u>Fiscal 2002</u>	<u>Fiscal 2002</u>	<u>Fiscal 2004</u>	<u>Fiscal 2004</u>	<u>Fiscal 2005</u>	<u>Fiscal 2005</u>
01100 General Fund	\$ 800,732	71.4%	\$ 858,898	71.5%	\$ 852,211	71.0%
02007 Accommodation Tax His Soc	116,438	10.4%	114,609	9.5%	116,449	9.7%
02041 Mt Hist. Society Donations	67,592	6.0%	70,704	5.9%	71,693	6.0%
03021 Historic Sites Preservation	92,075	8.2%	94,723	7.9%	96,997	8.1%
06073 Historical Society Management	44,086	3.9%	61,789	5.1%	62,155	5.2%
Grand Total	\$ 1,120,923	100.0%	\$ 1,200,723	100.0%	\$ 1,199,505	100.0%

This program is funded with 71.3 percent general fund, 15.5 percent state special revenue funds from donations and accommodations tax, 8.0 percent federal funds from administration of National Parks Service programs, and 5.2 percent proprietary funds from museum entrance fees, merchandise sales, and charges to the Lewis and Clark Commission for services provided by the Montana Historical Society.

General fund is used for administrative and audit expenses. State special revenue from the accommodations tax funds the Lewis and Clark Bicentennial efforts. Donations fund the annual history conference, education, special exhibits, the development program, and some administrative costs. Federal National Park Service funds pay for indirect costs related to administering the federal grant.

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				85,431					86,468
Vacancy Savings				(28,674)					(28,716)
Inflation/Deflation				2,610					2,677
Fixed Costs				117,038					101,870
Total Statewide Present Law Adjustments				\$176,405					\$162,299
DP 7000 - Continue Governor Reductions - Public Service									
0.00	(36,413)	0	0	(36,413)	0.00	(36,413)	0	0	(36,413)
DP 7002 - Reduction in Operating									
0.00	(1,000)	0	0	(1,000)	0.00	(1,674)	0	0	(1,674)
Total Other Present Law Adjustments									
0.00	(\$37,413)	\$0	\$0	(\$37,413)	0.00	(\$38,087)	\$0	\$0	(\$38,087)
Grand Total All Present Law Adjustments				\$138,992					\$124,212

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 7000 - Continue Governor Reductions - Public Service - The legislature continued the Governor's 17-7-140, MCA reductions of \$20,280 per year in personal services and \$16,133 per year in operating expenses.

DP 7002 - Reduction in Operating - The legislature approved an additional reduction in operating expenses that could include further cuts in travel, printing and contract services, and a reduction in the hours that the museum and library will be open to the public.

New Proposals										
Program	FTE	Fiscal 2004				Fiscal 2005				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 655 - Personal Services Reduction										
01	0.00	(24,660)	0	0	(24,660)	0.00	(24,660)	0	0	(24,660)
DP 6800 - HB 13 - Pay Plan										
01	0.00	2,718	782	723	4,330*	0.00	11,369	3,204	2,997	17,999*
DP 7002 - Fund Switch for Overhead for MHC & LCBC										
01	0.00	(35,000)	0	0	15,674*	0.00	(35,000)	0	0	15,674*
DP 7005 - FTE Reduction - Community Outreach										
01	(0.30)	(14,536)	0	0	(14,536)	(0.30)	(14,643)	0	0	(14,643)
DP 9100 - Heritage Commission Administrative Fees										
01	0.00	0	0	0	(40,000)*	0.00	0	0	0	(40,000)*
Total	(0.30)	(\$71,478)	\$782	\$723	(\$59,192)*	(0.30)	(\$62,934)	\$3,204	\$2,997	(\$45,630)*

New Proposals

DP 655 - Personal Services Reduction - The legislature applied a further vacancy savings on general fund positions. The average for this agency is 1.4 percent on general fund and 0.6 percent on total funding. This reduction was applied to one program, and language was added allowing the department to reallocate among programs as necessary.

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund this pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

DP 7002 - Fund Switch for Overhead for MHC & LCBC - The legislature approved a fund switch that replaces general fund with proprietary funds for anticipated overhead revenues from an increase in the administrative fee charged to the Montana Heritage Commission and the Lewis and Clark Bicentennial Commission. Items to be funded include legislatively required annual reports, society informational brochures, phone and computer lines, and fixed costs.

DP 7005 - FTE Reduction - Community Outreach - The legislature approved a reduction to eliminate a 0.30 FTE community outreach position. This cut reduces statewide outreach, including web based activities, special educational projects, and special joint programs.

DP 9100 - Heritage Commission Administrative Fees - The legislature decreased proprietary funds to the MHS by \$80,000 to remove administrative charges to the Montana Heritage Preservation and Development Commission. This reduction is due to the passage of SB 232 transferring the commission to the Department of Commerce.

Language

"Item 1 includes a reduction in general fund money of \$24,660 in fiscal year 2004 and \$24,660 in fiscal year 2005 for the statewide FTE reduction. The agency may allocate this reduction in funding among programs when developing 2005 biennium operating plans."

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	13.75	0.00	0.00	13.75	0.00	0.00	13.75	13.75
Personal Services	523,640	18,418	3,511	545,569	18,229	14,902	556,771	1,102,340
Operating Expenses	114,473	(11,067)	(793)	102,613	(10,893)	(792)	102,788	205,401
Equipment	11,419	0	0	11,419	0	0	11,419	22,838
Total Costs	\$649,532	\$7,351	\$2,718	\$659,601	\$7,336	\$14,110	\$670,978	\$1,330,579
General Fund	595,418	2,447	2,580	600,445	2,384	13,531	611,333	1,211,778
State/Other Special	2,808	11	0	2,819	16	0	2,824	5,643
Federal Special	0	0	0	0	0	0	0	0
Proprietary	51,306	4,893	138	56,337	4,936	579	56,821	113,158
Total Funds	\$649,532	\$7,351	\$2,718	\$659,601	\$7,336	\$14,110	\$670,978	\$1,330,579

Program Description

The Library Program staff provide library and archive functions. They acquire, organize, preserve, and provide published materials to the public including historic records, manuscripts, photographs, and oral histories of Montana and the west. This program houses the official archives of state government and the legislature.

Program Narrative

Montana Historical Society Library Program Major Budget Highlights	
<ul style="list-style-type: none"> ○ Total funds increase about \$31,500 over the fiscal 2002 base level due to statewide present law adjustments and the HB 13 pay plan ○ Vacancy savings, continuation of Governor's 17-7-140 reductions, reduced fixed costs, and operating expenses offset present law increases for personal services. 	

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium as adopted by the legislature.

Program Funding Table Library Program						
Program Funding	Base Fiscal 2002	% of Base Fiscal 2002	Budget Fiscal 2004	% of Budget Fiscal 2004	Budget Fiscal 2005	% of Budget Fiscal 2005
01100 General Fund	\$ 595,418	91.7%	\$ 600,445	91.0%	\$ 611,333	91.1%
02041 Mt Hist. Society Donations	2,808	0.4%	2,819	0.4%	2,824	0.4%
06072 Enterprise Historical Soc	51,306	7.9%	56,337	8.5%	56,821	8.5%
Grand Total	\$ 649,532	100.0%	\$ 659,601	100.0%	\$ 670,978	100.0%

Approximately 91.1 percent of the Library Program is funded with general fund. State special revenue includes Teakle trust funds earmarked for the acquisition of specialized books. Proprietary funds are from the sale of photographs and photocopies of documents.

Present Law Adjustments										
-----Fiscal 2004-----						-----Fiscal 2005-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					69,899					69,705
Vacancy Savings					(23,741)					(23,736)
Inflation/Deflation					1,936					2,016
Fixed Costs					(5,353)					(5,259)
Total Statewide Present Law Adjustments					\$42,741					\$42,726
DP 7000 - Continue Governor Reductions - Public Service	0.00	(35,390)	0	0	(35,390)	0.00	(35,390)	0	0	(35,390)
Total Other Present Law Adjustments	0.00	(\$35,390)	\$0	\$0	(\$35,390)	0.00	(\$35,390)	\$0	\$0	(\$35,390)
Grand Total All Present Law Adjustments					\$7,351					\$7,336

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 7000 - Continue Governor Reductions - Public Service - The legislature continued the Governor's 17-7-140, MCA reductions of \$27,740 to personal services and an additional \$7,650 reduction in operating expenses impacting the processing of incoming materials, conservation work, and limiting reference services offered to Montana researchers.

New Proposals										
-----Fiscal 2004-----						-----Fiscal 2005-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6800 - HB 13 - Pay Plan										
02	0.00	3,373	0	0	3,511*	0.00	14,323	0	0	14,902*
DP 7002 - Reduction in Operating										
02	0.00	(793)	0	0	(793)	0.00	(792)	0	0	(792)
Total	0.00	\$2,580	\$0	\$0	\$2,718*	0.00	\$13,531	\$0	\$0	\$14,110*

New Proposals

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund this pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

DP 7002 - Reduction in Operating - The legislature approved an additional reduction in operating expenses of \$793 and \$792 in each year of the 2005 biennium for a total reduction of about 25 percent of fiscal 2002 operating expenditures.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	9.50	0.35	0.00	9.85	0.35	0.00	9.85	9.85
Personal Services	350,233	(15,363)	2,779	337,649	(14,612)	11,720	347,341	684,990
Operating Expenses	186,069	(79,855)	100,000	206,214	(76,730)	100,000	209,339	415,553
Total Costs	\$536,302	(\$95,218)	\$102,779	\$543,863	(\$91,342)	\$111,720	\$556,680	\$1,100,543
General Fund	289,129	(107,728)	1,812	183,213	(107,435)	7,659	189,353	372,566
State/Other Special	240,549	12,434	100,967	353,950	16,005	104,061	360,615	714,565
Federal Special	0	0	0	0	0	0	0	0
Proprietary	6,624	76	0	6,700	88	0	6,712	13,412
Total Funds	\$536,302	(\$95,218)	\$102,779	\$543,863	(\$91,342)	\$111,720	\$556,680	\$1,100,543

Program Description

The Museum Program collects, preserves, and interprets the history of Montana through its material culture. The museum collects fine arts and historical, archaeological, and ethnological artifacts from Montana and the general geographic region. The program interprets its collections through exhibits, tours and traveling exhibits. The program also houses the society's education office that orchestrates events, programs, and materials on Montana history for learners of all ages.

Program Narrative

Montana Historical Society Museum Program Major Budget Highlights	
<ul style="list-style-type: none"> ○ Total funds increase slightly over fiscal 2002 expenditures ○ General fund savings is attributed to public service reductions ○ Accommodations tax funding increase supports the addition of 0.35 FTE to conduct tours, increased rent costs for storage of the Scriver collection, development of a new long-term Lewis & Clark Exhibit, and funding for the HB 13 pay plan 	

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium as adopted by the legislature.

Program Funding Table Museum Program							
Program Funding	Base Fiscal 2002	% of Base Fiscal 2002	Budget Fiscal 2004	% of Budget Fiscal 2004	Budget Fiscal 2005	% of Budget Fiscal 2005	
01100 General Fund	\$ 289,129	53.9%	\$ 183,213	33.7%	\$ 189,353	34.0%	
02007 Accommodation Tax His Soc	192,659	35.9%	303,500	55.8%	309,101	55.5%	
02041 Mt Hist. Society Donations	47,062	8.8%	49,618	9.1%	50,681	9.1%	
02045 Orig Gov'S Mansion Restoration	828	0.2%	832	0.2%	833	0.1%	
06072 Enterprise Historical Soc	6,624	1.2%	6,700	1.2%	6,712	1.2%	
Grand Total	\$ 536,302	100.0%	\$ 543,863	100.0%	\$ 556,680	100.0%	

Approximately 33.9 percent of the Museum Program is funded with general fund. Approximately 64.9 percent is state special revenue, including donations for special exhibits and education efforts, and accommodations tax for the tour program, the Scriver collection, and initial efforts for a new Lewis and Clark exhibit. Proprietary funds of approximately \$6,700 each year are from the sales of books, copies and photographs, and rental of traveling exhibits.

Present Law Adjustments										
-----Fiscal 2004-----						-----Fiscal 2005-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					43,590					44,397
Vacancy Savings					(15,754)					(15,785)
Inflation/Deflation					1,195					1,242
Fixed Costs					(22,898)					(22,470)
Total Statewide Present Law Adjustments					\$6,133					\$7,384
DP 10 - Scriver Collections Storage Rent	0.00	0	2,880	0	2,880	0.00	0	5,846	0	5,846
DP 14 - Correct Expenditure Coding - Scriver Rent	0.00	0	17,493	0	17,493	0.00	0	17,493	0	17,493
DP 15 - Historical Interpretation FTE	0.35	0	5,680	0	5,680	0.35	0	5,789	0	5,789
DP 7000 - Public Service Reductions	0.00	(127,404)	0	0	(127,404)	0.00	(127,854)	0	0	(127,854)
Total Other Present Law Adjustments	0.35	(\$127,404)	\$26,053	\$0	(\$101,351)	0.35	(\$127,854)	\$29,128	\$0	(\$98,726)
Grand Total All Present Law Adjustments					(\$95,218)					(\$91,342)

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 10 - Scriver Collections Storage Rent - The legislature approved accommodations tax funding of \$8,726 (\$2,880 in fiscal 2004 and \$5,846 in fiscal 2005) for Scriver collection storage rent to pay a negotiated, long-term 20-year lease, which includes a three percent annual increase and utility costs.

DP 14 - Correct Expenditure Coding - Scriver Rent - The legislature approved funding for continued Scriver rent expenditures that did not carry forward in the base budget due to a coding error.

DP 15 - Historical Interpretation FTE - The legislature approved funding to increase the tour supervisor position from 0.15 FTE to a 0.50 FTE.

DP 7000 - Public Service Reductions - The legislature approved reductions to personal services of \$56,195 and operating expenses of \$71,209, resulting in less curatorial work accomplished including fewer collections acquired, cataloged, and preserved, and possible reductions in museum visitor hours and school tour opportunities.

New Proposals										
Program	FTE	Fiscal 2004				FTE	Fiscal 2005			
		General Fund	State Special	Federal Special	Total Funds		General Fund	State Special	Federal Special	Total Funds
DP 6800 - HB 13 - Pay Plan										
03	0.00	1,812	967	0	2,779	0.00	7,659	4,061	0	11,720
DP 7009 - Lewis and Clark Interpretation										
03	0.00	0	100,000	0	100,000	0.00	0	100,000	0	100,000
Total	0.00	\$1,812	\$100,967	\$0	\$102,779*	0.00	\$7,659	\$104,061	\$0	\$111,720*

New Proposals

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund this pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

DP 7009 - Lewis and Clark Interpretation - The legislature approved accommodations tax funding of \$100,000 per year to begin work on the \$500,000 long-term new Lewis and Clark exhibit entitled "Neither Empty Nor Unknown" that is planned for May 2005 through 2007 in the Haynes Gallery and Auditorium.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	10.38	0.00	0.00	10.38	0.00	0.00	10.38	10.38
Personal Services	346,287	49,875	3,640	399,802	51,628	15,189	413,104	812,906
Operating Expenses	324,601	10,741	0	335,342	11,985	0	336,586	671,928
Equipment	0	0	0	0	0	0	0	0
Transfers	53,652	(6,900)	0	46,752	(6,900)	0	46,752	93,504
Total Costs	\$724,540	\$53,716	\$3,640	\$781,896	\$56,713	\$15,189	\$796,442	\$1,578,338
General Fund	53,652	(6,900)	0	46,752	(6,900)	0	46,752	93,504
State/Other Special	0	0	0	0	0	0	0	0
Federal Special	0	0	0	0	0	0	0	0
Proprietary	670,888	60,616	3,640	735,144	63,613	15,189	749,690	1,484,834
Total Funds	\$724,540	\$53,716	\$3,640	\$781,896	\$56,713	\$15,189	\$796,442	\$1,578,338

Program Description

The Publications Program promotes the study of Montana history and education through lectures, publications, and curriculum materials. The program publishes quarterly editions of the award-winning Montana the Magazine of Western History and the Montana Post, the official newsletter of the society. It also publishes books under the Montana Historical Society Press imprint and operates the museum store.

Program Narrative

Montana Historical Society Publications Program Major Budget Highlights	
<ul style="list-style-type: none"> ○ Total funds increase more than \$129,000 over fiscal 2002 expenditures due to statewide present law adjustments and the HB 13 pay plan ○ General fund savings is \$6,900 per year due to general operating reductions ○ Proprietary funds increase \$143,000, about 10.6 percent, over fiscal 2002 expenditures, due to increases in personal services and fixed costs included in the adjusted base budget and the HB 13 pay plan 	

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium as adopted by the legislature.

Program Funding Table Publications Program						
Program Funding	Base Fiscal 2002	% of Base Fiscal 2002	Budget Fiscal 2004	% of Budget Fiscal 2004	Budget Fiscal 2005	% of Budget Fiscal 2005
01100 General Fund	\$ 53,652	7.4%	\$ 46,752	6.0%	\$ 46,752	5.9%
06002 Historical Society Enterprise	409,128	56.5%	450,879	57.7%	460,448	57.8%
06071 Merchandise - Historical Society	261,760	36.1%	284,265	36.4%	289,242	36.3%
Grand Total	\$ 724,540	100.0%	\$ 781,896	100.0%	\$ 796,442	100.0%

The program is funded with a combination of general fund and proprietary funds. Approximately 6 percent is general fund, budgeted as a transfer, and pays a portion of 2.00 FTE involved in publishing Montana the Magazine of Western History. The transfer allows these funds to be spent from the proprietary accounts, in accordance with generally accepted accounting principles (GAAP).

The proprietary funds are enterprise funds from the sale of magazines and books from the retail and mail order bookstore and make up 94 percent of the program budget. These funds support program operations including the museum store, the magazine and other publications, and the historical society press.

Present Law Adjustments										
-----Fiscal 2004-----						-----Fiscal 2005-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					66,382					68,208
Vacancy Savings					(16,507)					(16,580)
Inflation/Deflation					1,729					1,810
Fixed Costs					9,012					10,175
Total Statewide Present Law Adjustments					\$60,616					\$63,613
DP 7000 - Continue Governor Reductions - Public Service										
	0.00	(6,900)	0	0	(6,900)	0.00	(6,900)	0	0	(6,900)
Total Other Present Law Adjustments	0.00	(\$6,900)	\$0	\$0	(\$6,900)	0.00	(\$6,900)	\$0	\$0	(\$6,900)
Grand Total All Present Law Adjustments					\$53,716					\$56,713

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 7000 - Continue Governor Reductions - Public Service - The legislature continued the Governor's 17-7-140, MCA reductions requiring the program to evaluate all aspects of magazine and book production. Impacts include shifting two out of four editions of the newsletter to electronic format only, as opposed to printed and mailed distribution.

New Proposals										
-----Fiscal 2004-----						-----Fiscal 2005-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6800 - HB 13 - Pay Plan										
04	0.00	0	0	0	3,640*	0.00	0	0	0	15,189*
Total	0.00	\$0	\$0	\$0	\$3,640*	0.00	\$0	\$0	\$0	\$15,189*

New Proposals

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund this pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	9.50	0.00	0.00	9.50	0.00	0.00	9.50	9.50
Personal Services	363,024	56,640	2,955	422,619	57,267	12,540	432,831	855,450
Operating Expenses	82,076	1,268	0	83,344	2,468	0	84,544	167,888
Grants	211,481	0	(22,629)	188,852	0	(22,575)	188,906	377,758
Total Costs	\$656,581	\$57,908	(\$19,674)	\$694,815	\$59,735	(\$10,035)	\$706,281	\$1,401,096
General Fund	64,909	3,023	(22,374)	45,558	4,005	(21,485)	47,429	92,987
Federal Special	591,672	54,885	2,700	649,257	55,730	11,450	658,852	1,308,109
Total Funds	\$656,581	\$57,908	(\$19,674)	\$694,815	\$59,735	(\$10,035)	\$706,281	\$1,401,096

Program Description

The Historic Sites Preservation Program administers the Montana Antiquities Act and Montana's participation in federal Historic Preservation Act and the federal grants-in-aid for historic preservation. Staff provide technical assistance to all Montana property owners. Staff review all proposed federally funded or permitted projects within the state to determine their effect on properties listed or eligible for listing on the National Register of Historic Places. The office certifies historic structures and rehabilitation projects for federal tax credits to citizens and businesses authorized by the Tax Reform Act of 1976. The program awards federal grants to local governments, communities, and individuals for: 1) the Certified Local Government Program, 2) historic survey and planning for historic areas, and 3) bricks and mortar rehabilitation when funds are available.

Program Narrative

Montana Historical Society Historic Preservation Program Major Budget Highlights	
<ul style="list-style-type: none"> ○ Total funds increase approximately \$88,000, or 6.7 percent, over the fiscal 2002 base level due to statewide present law adjustments and the HB 13 pay plan ○ General fund decreases about \$36,800 below the fiscal 2002 base level and is attributed to reductions in the "Bricks and Mortar" historic restoration grants and continuation of the Governor's 17-7-140, MCA reduction 	

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium as adopted by the legislature.

Program Funding Table Historic Preservation Program						
Program Funding	Base Fiscal 2002	% of Base Fiscal 2002	Budget Fiscal 2004	% of Budget Fiscal 2004	Budget Fiscal 2005	% of Budget Fiscal 2005
01100 General Fund	\$ 64,909	9.9%	\$ 45,558	6.6%	\$ 47,429	6.7%
03021 Historic Sites Preservation	591,672	90.1%	649,257	93.4%	658,852	93.3%
Grand Total	\$ 656,581	100.0%	\$ 694,815	100.0%	\$ 706,281	100.0%

The program is funded with 6.7 percent general fund that supports a grants manager FTE and general operating costs and 93.3 percent federal special revenue from Historic Preservation Funds (HPF) received from the National Park Service (NPS). These funds require a 40 percent state match made up of a combination of cash and donated services/property relating to NPS defined allowable activities. Montana's state match is primarily made up of general fund, accommodations tax funds (historic sign program), and match from Montana's 15 certified local governments that receive 10 percent of the HPF.

Present Law Adjustments											
-----Fiscal 2004-----						-----Fiscal 2005-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services					74,126					74,779	
Vacancy Savings					(17,486)					(17,512)	
Inflation/Deflation					1,123					1,209	
Fixed Costs					4,545					5,659	
Total Statewide Present Law Adjustments					\$62,308						\$64,135
DP 7000 - Gov. Reduction - Public Service											
	0.00	(4,400)	0	0	(4,400)	0.00	(4,400)	0	0	(4,400)	
Total Other Present Law Adjustments											
	0.00	(\$4,400)	\$0	\$0	(\$4,400)	0.00	(\$4,400)	\$0	\$0	(\$4,400)	
Grand Total All Present Law Adjustments					\$57,908						\$59,735

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 7000 - Gov. Reduction - Public Service - The legislature continued the Governor's 17-7-140, MCA reductions of \$4,400 each year reducing public service and outreach activities.

New Proposals										
-----Fiscal 2004-----						-----Fiscal 2005-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6800 - HB 13 - Pay Plan										
06	0.00	255	0	2,700	2,955	0.00	1,090	0	11,450	12,540
DP 7003 - Preservation Grant Reduction										
06	0.00	(22,629)	0	0	(22,629)	0.00	(22,575)	0	0	(22,575)
Total	0.00	(\$22,374)	\$0	\$2,700	(\$19,674)*	0.00	(\$21,485)	\$0	\$11,450	(\$10,035)*

New Proposals

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund this pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

DP 7003 - Preservation Grant Reduction - The legislature approved an adjustment to remove general fund in a Historic Preservation Office position and replace it with federal preservation grant dollars. This change will reduce the number of projects funded under the "Bricks and Mortar" grant program that assists in the restoration of Montana properties listed in the National Register of Historic Places.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grants	(916)	916	0	0	916	0	0	0
Total Costs	(\$916)	\$916	\$0	\$0	\$916	\$0	\$0	\$0
State/Other Special	(916)	916	0	0	916	0	0	0
Total Funds	(\$916)	\$916	\$0	\$0	\$916	\$0	\$0	\$0

Program Description

The Montana Lewis and Clark Bicentennial Commission was statutorily created by the 1997 legislature. Its main mission is to provide statewide leadership, communication, and coordination in planning and implementing the Lewis and Clark Bicentennial observance in Montana, which will be held from 2003-2006. The commission has 12 Governor-appointed commissioners serving three-year staggered terms.

Program Narrative

<p align="center">Montana Historical Society Lewis & Clark Bicentennial Major Budget Highlights</p>
<p align="center">○ This budget included in HB 2 only to correct an account code error</p>

Funding

The program is funded with state special revenue from accommodations tax.

Present Law Adjustments										
-----Fiscal 2004-----					-----Fiscal 2005-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 16 - Lewis & Clark Authority 0.00	0	916	0	916	0.00	0	916	0	916	
Total Other Present Law Adjustments 0.00	\$0	\$916	\$0	\$916	0.00	\$0	\$916	\$0	\$916	
Grand Total All Present Law Adjustments				\$916					\$916	

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 16 - Lewis & Clark Authority - The legislature approved an adjustment to correct an accounting code error.